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The attached document, entitled "ACC Statement of Commitment for Action to Eradicate Poverty", is being circulated to the Trade and Development Board for information. It was elaborated by ACC at its first regular session for 1998.

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ACC Statement of Commitment for Action to Eradicate Poverty

1. Executive Heads of the organizations of the United Nations system reaffirm that poverty eradication - a main underlying theme of recent global conferences - is a key international commitment, and a central objective of the United Nations system. They commit themselves collectively to undertake a renewed effort to concert policy approaches and give new impetus to collaborative actions by the United Nations organizations and agencies in this crucial area.

The Challenge

2. The paradox of today's world is nowhere more clearly reflected than in the dynamic of globalization which brings at the same time extraordinary potential and huge risks. On the one hand, never before has so much progress been achieved, in such a short span of time in lifting hundreds of millions out of poverty. At the same time, more than a billion people still live on less than one dollar a day, and almost three billion on less than two.

3. ACC emphasizes that fundamentally, poverty is a denial of choices and opportunities, it is a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or a clinic to go to, not having the land on which to grow one's food or a job to earn one's living, nor having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence and it often implies living on marginal and fragile environments, not having access to clean water and sanitation.

4. Executive Heads are convinced that this situation is unacceptable as the world has the resources and the capacity, if it so chooses, to eradicate absolute poverty. They see in the current global environment a real chance to qualitatively improve the conditions of life for the vast majority of the people on this planet who live in poverty. They call upon the world community to seize this historic opportunity to create a better world. They reaffirm that the United Nations system has the obligation to mobilize the will of the international community to achieve this goal.

5. ACC is conscious that poverty is a global phenomenon. Widespread in developing countries, it also affects industrial societies and is growing in countries with economies in transition. It must be addressed in all its manifestations. Member states, at the national and international level, have the primary responsibility in this regard. The challenge is to harness the forces of global integration, not to run away from them. At the same time, the risks of economic polarisation, social exclusion and growing inequalities must be averted. Protecting the right of all to a minimum standard of living is good economics because investment in the poor, including women and children offer the best guarantee of sustained growth and productivity gains in the future. Eradication of poverty is today an indispensable condition for lasting peace. Without the full and effective participation of the poor in global growth, the challenge of peace and development will not be met.

6. ACC recognizes that poverty is a multidimensional phenomenon and that the challenge of its eradication is vast and complex. Poverty must be addressed in all its aspects. Only through building partnerships and investing the necessary resources to make them effective, in particular at the country level can the challenge of poverty eradication be met. The United Nations system must not only concert its own efforts, it must also play a supportive and catalytic role in mobilizing the energies and resources of all development actors - governments, the private-sector, civil society, donors and above all the poor themselves

- in the campaign against poverty. Executive Heads commit themselves to pursue this effort individually and collectively throughout the system.

7. ACC acknowledges that education and capacity building are a main driving force in development, since they are the key to any process of empowerment, individual or collective.

8. ACC underscores that in dealing with poverty, gender equality and the empowerment of women are major cross-cutting issues that must receive sustained attention. Progress here, foremost through education, in many cases, means progress for the majority of the poor. In developing countries, a large majority of the poor are found in rural areas and depend mainly on agriculture for their livelihood and employment. Among the poor, women and children contribute significantly to food production and household income, yet they are often the main victims of poverty. In order to succeed, poverty eradication strategies must address gender issues by examining the differential impact of policies and programmes on men and women as well as on adults and children. They must empower women and ensure their access to income earning opportunities, including in rural areas and the informal sector, as well as ensure universal access to basic social services, including in particular for children.

9. ACC recalls that the international community has set for itself a range of interlocking development goals which, taken together, address the over-arching challenge of poverty eradication. They cover reductions in income poverty, child mortality, maternal mortality and child malnutrition as well as improvements in life expectancy and access to basic social services, especially among women. These goals provide a powerful foundation for all development partners to marshal the necessary resources and resolve in a global campaign against poverty.

Elements of a shared strategy

10. ACC calls for action to address poverty on a broad front, with the full involvement of governments and all other development actors in society. This effort has to be tailored to fit national and local circumstances, and anchored in accurate on-the-ground assessments of the needs of the poor.

11. ACC underscores that poverty cannot be eradicated without transparent and accountable government at all levels. Democratization and enhanced protection of human rights are key components of good governance. Good governance also implies a proper balance between state action, the private sector, civil society, and the communities themselves. It calls for the empowerment of the poor, their active involvement and participation in poverty reduction strategies and improved access by the poor to well functioning institutions, such as those in the political and judicial systems, which safeguard people's rights.

12. ACC stresses that a sustainable reduction in poverty in the developing world can only be achieved through accelerated and sustained economic growth. This can only occur when governments follow sound macro-economic policies and carry out the necessary economic reforms which balance growth with social investments. Sustainable industrial development policies that improve competitiveness while protecting the environment and creating productive employment, are an important component of a sound policy framework. Recent events in East Asia emphasise in particular the critical role of strong and accountable financial and corporate institutions in maintaining the macro-economic balances. ACC calls upon the international community to extend full support to countries pursuing sound policies and reforms.

13. ACC recognizes that growth, though necessary, is not sufficient for rapid poverty reduction. Growth should be equitable employment intensive and pro-poor. Policies should aim at the creation of productive and freely chosen employment as the most effective way of reducing poverty. Growth must be underpinned by sound policies to promote social justice and redress social inequities. The character and pattern of growth ultimately determine its impact on the lives of the poor. Pro-poor growth calls for rural development, employment creation and access to science and technology. It requires sound pricing policies, an enabling environment for the private sector, and investment in and maintenance of infrastructure needed by poor communities. But action against poverty needs to go beyond economic factors and the enabling environment. It requires special measures to increase the access of the poor to productive assets, including land and credit, and to make them economic, social and civil actors.

14. ACC notes the linkages between population pressures, natural resources, food security, ill-health, and poverty and stresses that these must be addressed as an essential component of sustainable development strategies. Executive Heads emphasize that sustainable pro-poor growth requires sound environmental policies and in many cases measures to regenerate the resource base on which the livelihoods of the poor depend. It is important to assure the poor access to resource and energy saving technologies and environmental education.

15. Growth gives people the opportunity to lift themselves out of poverty. Human development builds their capacity to do so. Experience has shown, however, that too often the poor do not have access to shelter and basic social services (such as health, including reproductive health, sanitation, and water as well as education and training). And even when they do, only low quality services are available; integrated strategies of empowerment, capacity-building and targeted assistance as well as attention to equity issues are essential to enable the poor to work their way out of poverty.

16. It is also essential to promote a favourable micro-level environment, both in the rural and urban areas, that helps the poor to raise their productivity and income, and enables them to have access to assets, technology, infrastructure and fair markets. Such an environment will allow the poor themselves to become principal agents in poverty eradication.

17. A major objective, therefore, is to find ways of fully involving the poor in the designing of anti-poverty strategies, and reaching them with services which meet their requirements, including the specific needs of vulnerable groups such as single women, mothers, children, migrants, disabled and elderly. Sufficient public funds must be directed to services used by the poor, based on a sound understanding of their circumstances. But public spending alone is not enough. There must be the institutional capacity to manage and deliver services effectively to the poorest, a recognition of the important role of private and non-governmental providers and the participation of the poor and their communities. Executive Heads are determined to extend the full support of their organizations to countries' efforts to build such institutional capacity.

18. Even in the best of circumstances, there are risks and hazards which can devastate the lives of poor and vulnerable groups. Natural disasters such as drought and floods, war, economic shocks and epidemics, such as HIV/AIDS, can result in serious losses for the poor - losses in jobs, incomes and assets. Society must be ready to provide safety nets in such circumstances. These would include employment and income-generating programmes, social assistance, targeted support for the elderly and disabled, programs assisting the internally displaced, and food transfers. To eradicate poverty is to prevent its recurrences as much as it is

to attack its existing manifestations. The United Nations system remains committed to support national efforts towards these ends.

19. ACC stresses that empowerment, participation and social capital are important means for action against poverty, as well as ends in themselves. Strengthening and mobilising social capital calls for policy and institutional changes which support empowerment of the poor and the full realisation of their rights as citizens. It demands changes that promote the political, social and economic advancement of women, as well as of marginalized groups. Special programs may be required to address the needs of excluded groups, such as indigenous peoples, those living in remote areas, and refugees. Society must respond to this challenge of inclusion. ACC calls upon all countries to take these considerations and needs fully into account in their national development strategies and express its determination to extend full support to such strategies with a view to achieving development and peace by addressing the root causes of poverty.

A supportive international environment

20. ACC underscores that it is essential to provide a level playing field in international economic relations emphasising economic access for the poor. This requires creating policies and conditions which enable developing countries, particularly the least-developed among them, to benefit from opportunities in trade, investment, and technology transfer brought about by globalization.

21. Executive Heads are deeply concerned about the risks of the further marginalization of the poorest countries and regions, especially Africa. They call upon the international community to extend all possible assistance to its weakest members to enable them to integrate successfully into the world economy. This also entails adopting creative approaches to debt management, relief and reduction in order to free up resources poor countries need to combat poverty. The flow and quality of ODA must also be improved.

Measuring impact and follow-up

22. ACC recognizes that to be successful, a campaign against poverty must be able to demonstrate impact. Understanding the dynamics and dimensions of poverty and vulnerability calls for continuing measurement and monitoring. It requires a process of learning that involves generating and sharing of information and experiences. This will only be successful if it is informed by and implemented with the participation of all affected groups. Executive Heads are convinced that accountability, transparency and inclusion at all levels are integral to achieving the goal of poverty eradication.

23. ACC reaffirms that every organization of the system is committed not only to strengthening its own actions, but also to working with others to fight poverty in all its forms. ACC recognizes that the measure of the individual organization's actions is the collective impact of the system on poverty. Executive Heads agree to work together in the months ahead to identify areas for common action and build partnerships among concerned organizations for pursuing shared objectives in such areas. Ultimately, the gauge of our success will be in tangible and lasting improvements in the lives of the poor.